

Loss Control Standards Credit Account Program

I. PURPOSE:

- A. To encourage members to re-invest their loss control standards contribution credit back into their safety and loss control programs.
- B. To reduce the frequency and severity of poolwide losses.

II. ELIGIBILITY:

CIRSA Property/Casualty or Workers' Compensation pool members with a loss control standards audit score of 80% or above are eligible for a loss control standards audit credit as approved by the Board of Directors. An entity must become a member of the Property/Casualty and/or Workers' Compensation pool by June 30th of the current year to be eligible for any Board approved audit credits for the following year.

III. PROCEDURE:

- A. Each year, the CIRSA Board of Directors will determine the amount of poolwide loss control standards audit credits, if any, and allocate an amount to eligible members based on audit scores and other pertinent criteria.
- B. Special credits that been previously deposited in members' accounts must be utilized for approved purchases of safety equipment or safety-related activities. *Note: The special credit program was discontinued in 2004 but some members may have special credit balances remaining in their loss control credit account.*
- C. The CIRSA Finance Department will establish and maintain a loss control credit account for each member. Each member will be notified of the amount of credits in its account annually or as requested.
- D. Subject to Board approval, loss control standard audit credits will be deposited in each eligible member's loss control credit account on January 1 of each year. The amount of annual credit will be based on each member's loss control standards audit score and the Board-approved allocation system for loss control standards audit credits.
- E. With the exception of the special credit, a member may utilize all or part of the credits in its loss control credit account as follows:
 - 1. The member may credit amounts in the account against its annual contribution.
 - 2. The member may "cash out" the amount in the account.



3. The member may be reimbursed for approved purchases of safety-related equipment or activities. Approved purchases include but are not limited to: personal protective equipment, safety training equipment, safety videos, attending safety-related conferences and seminars, purchasing fire protection and prevention equipment, safety publications, safety incentive programs, industrial safety equipment, etc.

F. Members must receive pre-approval from the Loss Control Department Manager prior to submitting receipts for reimbursement.

G. Members will submit a voucher (online or print) for approved purchases for approval by the CIRSA Loss Control Department and processing by the Financing Department. Reimbursements will be taken first from any special credits and then from any other funds deposited in the members' account.

H. Credits in the account will be carried over from year to year. The Finance Department will notify each member of its year-end balance.

I. A member who withdraws from the Property/Casualty or Workers' Compensation pool will forfeit any remaining portion of special credits on the effective date of withdrawal. Vouchers and proofs of purchase for safety-related items must be received by CIRSA prior to the effective date of the member's withdrawal in order for such purchases to be reimbursed from special credits.

J. A member who withdraws will be issued a check for the remaining balance in the member's credit account, less any remaining special credits, within 60 days after the effective date of withdrawal.

K. The program will be reviewed annually and modified by the Board of Directors as appropriate.

Revised: 10/27/08; 3/14/18